MONTANA LEGISLATIVE HISTORY

Chapter 499 19 75

Bill H _____ S 407 Original bill & history ✓ C

| H. Committee on _____ | | | S. Committee on Taxation | | |
|---|---|---|---|---|---|
| Hearing Date(s) | _____ | ____C | Hearing Date(s) | Apr 16 | ✓ C |
| was not | _____ | ____C | | Apr 12 | ✓ C |
| addressed by a | _____ | ____C | | _____ | ____C |
| House Committee | _____ | ____C | | _____ | ____C |
| Date Out | _____ | ____C | | | |

Rechecked 12/12/02 RKW

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

| NO. | AUTHOR | SUBJECT | REFERRED TO |
|---|---|---|---|
| | ROBERTS, ET AL | OFFICERS WHEN NUMBER OF CANDIDATES CONTESTING IN THE PRIMARY IS SAME AS NUMBER OF CANDIDATES APPEARING ON THE GENERAL ELECTION BALLOT. | 2ND READING 3/15/75 |
| 405 | FOSTER, TURNAGE | AUTHORIZING A COUNTY TO ISSUE REVENUE BONDS FOR THE CONSTRUCTION OF A COUNTY HOSPITAL OR NURSING HOME. | SIGNED BY GOVERNOR 4/29/75 CHAPTER 511 |
| 406 | THIESSEN | AMENDING 1975 BOND VALIDATING ACT. | SIGNED BY GOVERNOR 4/21/75 CHAPTER 486 |
| 407 | ROMNEY, MC OMBER, R. SMITH, ET AL | SUBMITTING TO QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO CONSTITUTION TO REQUIRE LEGISLATURE TO DEDICATE A PORTION OF COAL SEVERANCE TAX TO EDUCATIONAL TRUST FUND. | SENATE SIGNED BY PRESIDENT 4/19/75 HOUSE SIGNED BY SPEAKER 4/19/75 FILED WITH SEC. OF STATE 4/23/75 |

SENATE JOINT RESOLUTIONS

| NO. | AUTHOR | SUBJECT | REFERRED TO |
|---|---|---|---|
| 1 | ROSELL, TURNAGE, REGAN | REQUESTING THE COMMITTEE ON PRIORITIES TO ASSIGN AN APPROPRIATE STANDING COMMITTEE TO MAKE A COMPREHENSIVE STUDY OF MONTANA'S INSURANCE LAWS TO DETERMINE IF THEY DISCRIMINATE AGAINST AN INDIVIDUAL ON THE BASIS OF SEX AND TO REPORT ITS FINDINGS AND RECOMMENDATIONS. | SENATE RULES 1/6/75 |
| 2 | MATHERS | COMMENDING THE NURSING HOMES AND HOSPITALS WHICH ACCEPTED RESIDENTS OF BOULDER RIVER SCHOOL AND HOSPITAL DURING THE 1974 EVACUATION. | SENATE SIGNED BY PRESIDENT 1/28/75 HOUSE SIGNED BY SPEAKER 1/28/75 |
| 3 | GREELY (BY | REPEALING RULE 2-3.34(10)-S3450 | SENATE |

Senator BILL NO. 407

INTRODUCED BY Romney McOmber R. Smith Manning Graham Cobrone Hallbach Warden Dw. Mathers Turnage Watt See Mehrens

A BILL FOR AN ACT ENTITLED: "AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO THE CONSTITUTION TO REQUIRE THE LEGISLATURE TO IMPOSE A SEVERANCE TAX ON COAL AND TO DEDICATE A PORTION THEREOF TO AN EDUCATIONAL TRUST FUND."

Jergeson Roberts LYNCH Aber Kolstad Himel Goodover Roskie Story

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Article IX of the Montana Constitution is amended by adding a new section 5 that reads as follows:

"Section 5. Severance tax on coal -- trust fund. The legislature shall impose a severance tax on the extraction of coal and shall dedicate a portion of this tax to a trust fund, the interest and income from which may be appropriated only for the support of the public schools and universities of the state. The principal of the trust shall forever remain inviolate. After December 31, 1979, at least forty-five percent (45%) of the severance tax shall be dedicated to the trust fund."

Section 2. When this amendment is submitted to the qualified electors of Montana, there shall be printed on the ballot the full title and section 1 of this act and the following words:

Gribel Blaylock Ryan Chessen Doylan Thomas Healy Conover McCallum Etchart Stephens Brown Olson Colberg Norman Galt





"☐ For a coal tax and educational trust fund.

☐ Against a coal tax and educational trust fund."

-End-

1975 Journals

44th LEGISLATIVE SESSION

COMMITTEE ON TAXATION

| SENATE BILL NO. | ENTERED COMM. | DATE CONSIDERED | OUT OF COMM. | DO PASS DATE | DO NOT PASS DATE | DO PASS AS AMEND. DATE | BE CONCURRED IN DATE | BE CONC. IN AS AMENDED DATE | BE NOT CONCURRED IN DATE |
|---|---|---|---|---|---|---|---|---|---|
| 369 | 2/4 | | 2/26 | | | 2/26 | | | |
| 370 | 2/4 | 2/20 | 2/20 | | | 2/20 | | | |
| 381 | 2/26 | | | | | | | | |
| 382 | 2/6 | 2/14 | | | | | | | |
| 405 | 4/9 | 4/9 | 4/9 | | | 4/9 | | | |
| 407 | 4/16 | 4/16 | 4/16 | | | 4/16 | | | |

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

April 16, 1975

The sixty-second meeting of the Taxation Committee was called to order on the above date in Room 415 of the State Capitol Building by Chairman Watt, at 4:45 p.m.

ROLL CALL: Roll call found all of the members present.

CONSIDERATION OF SENATE BILL 407: This bill came into the committee on the above date and since the committee members had all signed the bill, they were familiar with it as well. The bill had as its chief sponsor, Sen. Romney, but in his absence Chrm. Watt introduced the bill.

There followed brief discussion on the bill which puts before the voters the decision to establish a coal tax and educational trust fund from the severance tax. Interest and income from the fund could be appropriated only for the support of public schools and universities of the state. After some discussion the members were unanimous in their decision to pass the bill out of committee.

DISPOSITION: Sen. Manning MOVED SB407 DO PASS. The motion carried unanimously.

Following disposition of this bill the committee moved to adjourn with the next meeting scheduled for Friday morning, April 17.

Robert D. Watt
ROBERT D. WATT CHAIRMAN

# STANDING COMMITTEE REPORT

## ROLL CALL

TAXATION COMMITTEE

44th LEGISLATIVE SESSION - - 1975 Date 4/16.

| NAME | PRESENT | ABSENT | EXCUSED |
|---|---|---|---|
| SEN. HEALY | ✓ | | |
| SEN. BROWN | ✓ | | |
| SEN. MANNING | ✓ | | |
| SEN. MATHERS | ✓ | | |
| SEN. NORMAN | ✓ | | |
| SEN. TOWE | ✓ | | |
| SEN. TURNAGE | ✓ | | |
| CHAIRMAN WATT | ✓ | | |
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| | | | |
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# STANDING COMMITTEE REPORT

April 15 19 75

PRESIDENT

e, your committee on TAXATION

had under consideration SENATE Bill No. 407

ctfully report as follows: That SENATE Bill No. 407

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

April 17, 1975

The sixty-third meeting of the Taxation Committee was called to order on the above date in Room 415 of the State Capitol Building by Chairman Watt, at 12:00 noon.

ROLL CALL: Roll call found all of the members present with the exception of Sen. Healy, excused for another meeting.

Chairman Watt opened the meeting by saying that SB407, which had been considered by the committee on April 16, had come back to the committee for their consideration and possible amendments.

The bill's author, Sen. Romney, was present and invited to sit with the committee while the bill was being heard. He also was invited to make a statement on his bill, which he did, saying he was seeing large sums of money being appropriated at an alarming rate and therefore felt that some of the coal tax moneys should be held inviolate in order to assure the state would have some of this money in years to come.

Following his statement Chairman Watt invited others who had an interest in the legislation to make specific suggestions for the committee's consideration.

First to speak was Sen. Foster who thought if such a fund was to be established it should be flexible and that it should be up to the Legislature to determine how the proceeds from that fund are to be used. Sen. Warden also spoke to the committee and stated she was against earmarked funds, but in referring to non-renewable resource funds, she said she was not positive it should all go to education.

Sen. Blaylock said that since 50% of the coal tax is being taken by the Legislature, he felt 50% of this should also be put away into a trust fund. Sen. Connover stated his concurrence with the others and thinks that the Legislature should be very careful that there be a 3/5 vote of both houses. Sen. Devine also made a statement saying he felt these resources belong to the people of the state and he felt that education gets more than its share at this time. Sen. Roskie also stated his objection to earmarked revenue funds and wondered if the Legislature might want to consider putting a top on the funds.

Sen. Greely thinks it right that a trust fund be established, but felt it was wrong for this Legislature to make determinations on decision-making for the future. Sen. Cetrone stated he felt too that a 50-50 split is reasonable, and that the state should not be spending the principal as the coal tax could be used indefinitely by using the interest only.

The Chairman then invited others of those present to also give their views in regard to the bill.

John Lahr stated the coal companies have not involved themselves in the disposition of the funds, but he said they were glad to see attention given to the use of resources for the future. Gene Phillips also spoke and thought it wise to take a portion of the coal tax and put it away for future generations. He also suggested an amendment to the bill (this was later adopted, regarding payment of severance tax, page 1, lines 14, 15). Everett Shuey also stated his agreement with the statements of Mr. Lahr and Mr. Phillips.

Chairman Watt then asked others of those present if they wished to make a statement and hearing no further testimony, opened the meeting for discussion among committee members and Sen. Romney.

Sen. Manning made the statement he would favor building up some of the state's renewable resources while we are using up another, suggesting an average inventory of water and storing it for power as well as future use, as one example to illustrate his point.

The committee agreed they favored the concept of the bill but felt there should be more latitute in the bill. Sen. Mathers stated he felt provisions should be made that if the Legislature saw a definite need they should be able to use some of the fund. Sen. Norman summarized the points of difference as he saw them: 1. It was agreed the interest could be used; 2. How much Legislative control and 3. How much into principal and where the limits, if any.

There followed a discussion on estimates of the revenues the state could expect in 10 and 20 years and a number of amendments were proposed.

DISPOSITION: Sen. Towe Moved to Adopt Amendment #1; this motion carried. (Phillips' suggested amendment)

He then Moved Adoption of Amendment #2; this motion also carried, this amendment on lines 1 and 2, page 2.

Sen Towe then Moved Adoption of Amendment #3; motion carried. These amendments page 1, lines 17, 18.

Sen. Turnage Moved Adoption of Amendment #4; this motion also carried. This amendment follows word "inviolate" on page 1, line 19.

Sen. Turnage then Moved Adoption of Amendment #5; motion carried, however note for record Sen. Brown voted "no" saying he felt this amendment, page 1, line 20, changing to 50% from 45%, was too large a percentage to go into the fund.

Sen. Towe then Moved to Amend title of the bill; motion carried. Also included in this amendment was changing the wording in the bill taking out "an educational".

Sen. Turnage then MOVED SB407 AS AMENDED, DO PASS. The motion carried.

Sen. Towe made a motion, following brief discussion, the bill, SB407 BE SUBMITTED AS A SUBSTITUTE BILL. This motion also carried.

Following disposition of the bill, the meeting adjourned.

# STANDING COMMITTEE REPORT

ROLL CALL

TAXATION COMMITTEE

44th LEGISLATIVE SESSION - - 1975 Date 4/17

| NAME | PRESENT | ABSENT | EXCUSED |
|---|---|---|---|
| SEN. HEALY | | | ✓ |
| SEN. BROWN | ✓ | | |
| SEN. MANNING | ✓ | | |
| SEN. MATHERS | ✓ | | |
| SEN. NORMAN | ✓ | | |
| SEN. TOWE | ✓ | | |
| SEN. TURNAGE | ✓ | | |
| CHAIRMAN WATT | ✓ | | |
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MR. PRESIDENT

We, your committee on TAXATION

having had under consideration SENATE Bill No. 407

Respectfully report as follows: That SENATE Bill No. 407,

be amended as follows:

1. Amend title, lines 6 and 7.
   Following: "TO"
   Strike: "IMPOSE A SEVERANCE TAX ON COAL AND TO"

2. Amend title, line 7.
   Following: "PORTION"
   Strike: "THEREOF"
   Insert: "of the coal severance tax"

3. Amend title, line 8.
   Following: line 7
   Strike: "AN EDUCATIONAL
   Insert: "a permanent"

4. Amend the bill, pages 1 through 2, line (2).
   Strike: All of the bill following the enacting clause
   Insert: "Section 1. Article IX of the Montana Constitution is amended by adding a new section 5 that reads as follow "Section 5. Severance tax on coal -- trust fund. The legislature shall dedicate a portion of the coal sever tax to a trust fund, the interest and income from whic

DO PASS

Chairman.

CONTINUED

STATE PUB. CO.
Helena, Mont.

may be appropriated only for such projects and programs that benefit the people of the state of Montana as may be approved by three-fifths (3/5) of all the members of each house of the legislature. The principal of the trust shall forever remain inviolate unless a project or program that provides lasting benefits to the people of the state of Montana is approved by three-fourths (3/4) of all the members of each house of the legislature. After December 31, 1979, at least fifty percent (50%) of the severance tax shall be dedicated to the trust fund."

Section 2. When this amendment is submitted to the qualified electors of Montana, there shall be printed on the ballot the full title and section 1 of this act and the following words:

"☐ For a permanent trust fund from coal taxes.

☐ Against a permanent trust fund from coal taxe

AND AS SO AMENDED, DO PASS

ROBERT D. WATT CHAIRMAN

Notice of such hearing shall be given by publication in a newspaper of general circulation in the county not less than fifteen (15) days prior to the date of the hearing. The subdivider and each property owner of record immediately adjoining the land included in the plat shall also be notified of the hearing by registered mail not less than fifteen (15) days prior to the date of the hearing. When a hearing is held by an agent or agency designated by the governing body, the agent or agency shall act in an advisory capacity and recommend to the governing body the approval, conditional approval, or disapproval of the plat. This recommendation must be submitted to the governing body in writing not later than ten (10) days after the public hearing. If the governing body rejects or conditionally approves the preliminary plat, it shall forward one (1) copy of the plat to the subdivider accompanied by a letter over the appropriate signature stating the reason for rejection or enumerating the conditions which must be met to assure approval of the final plat.

*(4) The basis for the governing body's decision to approve, conditionally approve, or disapprove a subdivision shall be whether the preliminary plat, environmental assessment, public hearing, planning board recommendations and additional information demonstrate that development of the subdivision would be in the public interest. The governing body shall disapprove any subdivision which it finds not to be in the public interest. To determine whether the proposed subdivision would be in the public interest the governing body shall issue written findings of fact which weigh the following criteria for public interest:*

*(a) the basis of the need for the subdivision;*

*(b) expressed public opinion;*

*(c) effects on agriculture;*

*(d) effects on local services;*

*(e) effects on taxation;*

*(f) effects on the natural environment;*

*(g) effects on wildlife and wildlife habitat, and*

*(h) effects on the public health and safety.*

*(5)* Upon approving or conditionally approving a preliminary plat, the governing body shall provide the subdivider with a dated and signed statement of approval. This approval shall be in force for not more than one (1) calendar year; at the end of this period the governing body may, at the request of the subdivider, extend its approval for no more than one (1) calendar year."

Section 4. **Severability.** If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

Section 5. **Effective date.** This act is effective upon passage and approval.

Approved April 21, 1975.



## CHAPTER NO. 499

AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO THE CONSTITUTION TO REQUIRE THE LEGISLATURE TO DEDICATE A PORTION OF THE COAL SEVERANCE TAX TO A PERMANENT TRUST FUND.

*Be it enacted by the Legislature of the State of Montana:*

Section 1. Article IX of the Montana constitution is amended by adding a new section 5 that reads as follows:

Section 5. Severance tax on coal — trust fund. The legislature shall dedicate not less than one-fourth (¼) of the coal severance tax to a trust fund, the interest and income from which may be appropriated. The principal of the trust shall forever remain inviolate unless appropriated by vote of three-fourths (¾) of the members of each house of the legislature. After December 31, 1979, at least fifty percent (50%) of the severance tax shall be dedicated to the trust fund.

Section 2. When this amendment is submitted to the qualified electors of Montana, there shall be printed on the ballot the full title and section 1 of this act and the following words:

"☐ For a permanent trust fund from coal taxes.

☐ Against a permanent trust fund from coal taxes."

Approved (Constitutional Amendment).

## CHAPTER NO. 500

AN ACT MAKING SURVIVING SPOUSES OF SILICOTICS ELIGIBLE FOR PAYMENTS IF WIDOWED PRIOR TO MARCH 14, 1974.

*Be it enacted by the Legislature of the State of Montana:*

Section 1. There is a new R.C.M. section numbered 71-1010.1 that reads as follows:

**71-1010.1. Prior surviving spouses eligible for silicosis payments.** A person who otherwise is qualified to receive payments under section 71-1010, but whose spouse died prior to March 14, 1974, is hereby made eligible to begin receiving one-half (½) of those payments; provided however, a person is not eligible for these payments if her taxable income is sixty-eight hundred dollars ($6,800) or more per year.